

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 43 - SB 99**

March 11, 2013

**SUMMARY OF BILL:** Prohibits the Department of Environment and Conservation (TDEC) from issuing or renewing a permit for surface coal mining operations that alter or disturb a ridgeline located 2,000 feet or more above sea level. Authorizes renewal of existing permits if there is no expansion of activity or surface area to be mined. Requires permit renewals to be made by the original holder of the permit.

**ESTIMATED FISCAL IMPACT:**

**Forgone State Revenue – Less than \$4,800**

**Assumptions:**

- According to TDEC, the provisions of this bill will not result in a reduction in the number of permit applications received by the Department.
- This bill will effectively prevent expansion of surface coal mining activities along a ridgeline 2,000 feet or more above sea level in the future.
- It is reasonable to assume that if expansion of such mining activities is prevented as a result of this bill, the state could forgo some future coal severance tax revenue.
- Coal severance tax collections in FY11-12 totaled \$954,645.
- Any forgone state revenue is dependent upon several unknown factors and cannot be quantified with precision. However, forgone coal severance tax revenue is reasonably estimated to be no more than the equivalent of 0.5 percent of current coal severance tax collections. Therefore, forgone state revenue is estimated to be less than \$4,773 (\$954,645 x 0.5%).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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